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Item 3 of the provisional agenda

RECOMMENDATION OF A CANDIDATE FOR THE POST OF DIRECTOR-GENERAL

Draft contract for appointment of the Director-General

Note by the Secretariat

1. In accordance with rule 103.4 of its rules of procedure, the General Conference shall consider a draft contract, submitted to it by the Industrial Development Board for approval, establishing the terms and conditions of appointment of the Director-General, including the salary and other emoluments attached to the office. When approved by the Conference, the contract of appointment shall be signed by the new Director-General and by the President of the Conference, acting in the name of the Organization.

2. A draft contract establishing the terms and conditions of appointment of the Director-General is presented in an annex to the present document for consideration by the Board. The text of this draft contract is based on that of the previous contract with some adjustments. Paragraph 6(a) reflects the salary adjusted as a result of General Assembly resolutions on the common system reported to the Board at its seventeenth session in document IDB.17/5. It also reflects the adjustment of the Director-General's gross and net base salary level whenever the General Assembly, in accordance with approved methodologies, adjusts the gross and net base salary level of staff in the Professional and higher categories. Subparagraphs (a) and (e) reflect the above. Paragraph 7 shows two alternatives for participant and non-participant in the United Nations Joint Staff Pension Fund. Paragraph 7, alternative A, refers to the provisions of articles 54(c) and (b) of the regulations and rules of the United Nations Joint Staff Pension Fund, on the basis of which the pensionable remuneration of the Director-General is established and adjusted.

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Annex

DRAFT CONTRACT FOR APPOINTMENT OF THE DIRECTOR-GENERAL

THIS CONTRACT is made

between the United Nations Industrial Development Organization (hereinafter called the Organization) for the one part

and ..... (hereinafter called the Director-General) for the other part.

WHEREAS

The Director-General, upon recommendation of the Board, has been duly appointed by the Conference at the ..... plenary meeting of its seventh session held on ..... December 1997 (GC.7/Dec.....).

IT IS HEREBY AGREED AS FOLLOWS:

1. Term of Office

The Director-General shall be appointed for a period of four years from the ..... day of ..... nineteen hundred ninety-seven (1997), or until the Director-General to be appointed at the ninth regular session of the General Conference assumes office, whichever is later.

2. Official Duty Station

The official duty station for the Director-General shall be Vienna, Austria.

3. Official Duties

In accordance with Article 11 of the Constitution of the Organization, the Director-General shall be the chief administrative officer of the Organization.

4. Privileges and Immunities

The Director-General shall enjoy all the privileges and immunities in keeping with his/her office as determined by the Constitution of the Organization, Article 21, and any relevant legal instruments already in force or to be concluded in the future.

5. Staff Regulations

The Director-General shall be subject to the Staff Regulations of the Organization, together with such amendments as may be made thereto, in so far as they are applicable to him/her.

6. Assessable Salary and Allowances

(a) The annual gross salary of the Director-General shall be US dollars one hundred and seventy-five thousand three hundred and forty-four (175,344), corresponding to an annual net base salary equivalent to US dollars one hundred and nineteen thousand seven hundred and twenty-two (119,722) (dependency rate) or US dollars one hundred and six thousand two hundred and fifty-five (106,255) (single rate) respectively. The gross and net base salary shall be adjusted whenever the General Assembly decides to adjust the gross and net base salary levels of staff in the Professional and higher categories;

(b) He/She shall receive post adjustment, allowances and benefits, including social security benefits, for which a staff member in the Professional category of the UNIDO Secretariat would be eligible under the Staff Regulations and Staff Rules of the Organization, provided the purpose of such emolument, allowance or benefit has not already been met by other provisions of the present contract;

(c) The Director-General shall receive a representation allowance of Austrian schillings three hundred and forty thousand five hundred and sixty (340,560) per annum, adjusted for the budgeted annual inflation rate, to meet his/her share of the obligations which the Organization incurs in the form of representation and hospitality expenditure;

(d) He/She shall receive a housing allowance amounting to Austrian shillings five hundred and seventy-six thousand six hundred and thirty (576,630) per annum, adjusted for the budgeted annual inflation rate;

(e) The above salary, allowances and benefits to which the Director-General is entitled under this agreement shall be subject to adjustment by the Board, after consultations with the Director-General, to keep them in line with those of the executive heads of other specialized agencies within the common system of the United Nations.

7. Pension Arrangements*

Alternative A

The Director-General shall participate in the United Nations Joint Staff Pension Fund in accordance with the provisions of decision IDB.10/Dec.17 (d) of the Industrial Development Board. His/Her pensionable remuneration shall be determined and adjusted in accordance with the provisions of articles 54(c) and (b) of the regulations and rules of the United Nations Joint Staff Pension Fund.

Alternative B

The Director-General shall not participate in the United Nations Joint Staff Pension Fund. Instead, he/she shall have an amount equal to 15.8 per cent of pensionable remuneration, corresponding to the Organization's contribution to the Pension Fund, paid as a supplement to his/her remuneration, in lieu of participation in the Pension Fund, in accordance with General Assembly resolution 47/203.

8. Notice of Resignation

The Director-General may at any time give three month's notice of resignation in writing to the Board, which is authorized to accept his/her resignation on behalf of the General Conference, in which case, upon expiration of such period of notice, he/she shall cease to be Director-General of the Organization and this contract shall terminate.

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* Alternative A will be included in the contract if the elected Director-General has been a participant in the United Nations Joint Staff Pension Fund. Alternative B will be applicable in case he/she has never been a participant.

9. Entry into force

This contract shall enter into force as of the ..... day of ..... 1997.

SIGNED this ..... day of ..... 1997 at Vienna.

(.....)	(.....)
President of the Conference acting on behalf of the Organization	Director-General